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AMBASSADOR BARSHEFSKY EXPRESSES REGRET AT EUROPEAN UNION'S DECISION TO REQUEST CONSULTATIONS REGARDING MASSACHUSETTS' LAW REGARDING PROCUREMENT FROM COMPANIES DOING BUSINESS IN BURMA

United States Trade Representative Charlene Barshefsky today expressed regret at the decision of the European Communities (EC) to request dispute settlement consultations through the World Trade Organization (WTO) on the Massachusetts law regarding procurement from companies doing business in Burma.

Ambassador Barshefsky said she was surprised and very disappointed at the EC decision, given the strong interest of both the EC and the United States in improving the human rights situation in Burma. "The decision to take this matter to the WTO will not help the situation at all," Ambassador Barshefsky said. The European Parliament urged the EC Commission not to request WTO consultations. This is a counterproductive step, particularly in light of efforts that the United States and the EC have both taken to exert pressure on the repressive Burma regime."

USTR will continue to consult with officials from the state of Massachusetts and the EC in an effort to reach a mutually satisfactory resolution, without prejudice to the rights of the United States under the WTO agreements.

The Massachusetts law applies a pricing penalty on state procurements from companies that do business in Burma. At least one EC member State has actively encouraged similar measures by state governments.